Sri. L. M. Pylee: That has no bearing upon the present amendment.

Sri. D. Gnanasigamoni: The question of heirship and other allied questions often turn out to be complicated questions of law. The Registrar has neither the training nor the time at his disposal for a proper consideration of this question. These are matters which could be properly dealt with only by a Civil Court. The finding out of the legal representatives by the Registrar may not be so easy. That is why such questions are often left to the Civil Court. For example, even in the Forest Act when a Kudivila case is a complicated one, the Forest Officer is invested with the power of referring it to the District Court without deciding it himself. It is better to leave the matter as it is without complicating it further.

Sri. L. M. Pylee: My suggestion is that if the House is unanimous it may be moved. Government are not very particular that the amendment should be moved. In view of the objection, I don't move it, Sir. I move that the Travancore-Cochin Co-operative Societies Bill, as amended at the second reading, be passed.

Sri. K. M. Korah: I second the motion.

The question that the Co-operative Societies Bill be passed was put and carried.

The Bill was passed.

The Travancore-Cochin Sale of Khaddar Bill

Mr. Speaker: We will now take up the Travancore-Cochin Sale of Khadar Bill clause by clause.

Clauses 2 to 4

The question that clauses 2 to 4 stand part of the Bill was put and carried.

The clauses were added to the Bill.

Sri. P. Nanoo: I want to bring to the notice of the Minister one thing. In clause 2 (a), it is given that 'a dealer means a person carrying on the business of selling Khaddar or Khadi and clause 5 says that a licensing authority may grant a licence on the application of a 'dealer'. I want to know whether it is the object of the mover of this Bill that licences for the sale of Khadi would be given only to persons who are already dealers in Khadi.

Sri. K. M. Korah: No, it is not the intention. All that is meant by this clause is that a dealer who carries on business can be granted a licence.

Sri. P. Nanoo: Suppose a person who is not a dealer in Khadi applies for licence? Should he not be given licence?

Sri. K. M. Korah: I submit that the interpretation given by the hon. Member is not correct.

Sri. P. S. Nataraja Pillai: Some difficulty has arisen in Mr. Nanoo's interpretation. If we read clause 5, we will find that a person who wants to apply must be a dealer. It is not any person who can apply for licence. That is the wording in clause 5.

Sri. K. M. Korah: Will not the difficulty be over if instead of the word 'dealer', the word 'person' is substituted? I shall move an amendment when clause 5 is taken up.

The House rose for lunch at 12-40 p.m. and re-assembled at 2-0 p.m. with Mr. Speaker in the Chair

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The Travancore-Cochin Sale of Khaddar Bill—*(cont.)*

2 p.m]

The question that clauses 2 to 4 stand part of the Bill was put and carried.

Clauses 2 to 4 were added to the Bill.

Clause 5

Mr. Speaker: The hon. Minister in charge of the Bill will now move his amendment.

Sri. K. M. Korah: Sir, I move:

In clause 5, for the word "dealer" substitute the word "person".

The amendment was put and carried.

Sri. P. S. Nataraja Pillai: I move: "In clause 5, omit the words 'and after making such inquiry, as it thinks fit', in lines 2 and 3," and

"In the same clause add the following sentence: "No fee shall be levied for such licence." "

As I said at the earlier stage, I for one do not believe that that there is any necessity for introducing a licensing system for khadi which every Indian wants to see developed. The licensing of controlled commodities in short supply such as food-grains and other articles which are dangerous for common use may be all right, but granting licence to dealers who are to deal in cloth, especially khadi, is I think an unwise decision. To make it still worse, it is said here that "and after making such inquiry as it thinks fit," a licence may be granted. That means, if an application is made to any licensing authority, that authority will make enquiries whether the man who is dealing in khadi is a fit person to deal in khadi or not. If the licensing authority comes to the conclusion that he is not a man fit to carry on trade in khadi, the licence will not be granted. There is a preliminary enquiry by the licensing authority before granting the licence. That means the licensing authority may conduct an inquiry as to the financial status and the antecedents of the applicant. The antecedents of the applicant, according to the licensing authority, may not be such as to entitle him to get a licence. The antecedents may vary with different persons who seek a licence. The antecedents of a person may be that he is not a habitual wearer of khadi or that he has not contributed to the propagation of khadi or that on economic grounds he was opposed to khadi and hand-spinning and believed in western mechanization and held a strong view on those lines, and was carrying on propaganda against khadi. All these will be taken into account during the enquiry and the person may not be found fit to carry on trade in khadi. Or, it will depend upon the political antecedents of the applicant. As a matter of fact, Sir, if it is a question of giving a licence to a man to carry on a simple trade like sale of khadi, there need not be a preliminary condition of an inquiry. As it is, that provision for an inquiry is unnecessary. Therefore, only, Sir, I have moved that the words, "and after making such inquiry as it thinks fit" be deleted from the clause.

Then, the acknowledged purpose of the present Bill is, I take it, to encourage khadi in the country, and to do whatever that is possible to encourage that industry. I for one personally believe that it is good, but whether the method adopted by the Government will achieve that result is highly doubtful. This Bill envisages the introduction of a licensing fee for trading in khadi. Why should that fee be levied? A free licence may be granted. The whole rationale or purport of the Bill seems to me, or ought to be, or rather it should be, to fix up the responsibility of the person who infringed the definition of the trade mark 'khadi' as given in the Central Act. The Central Act has defined what khadi is, and we should not allow

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spurious articles to be marketed under the name of khadi. For that purpose, perhaps, a licence may be issued. As a matter of course, a free licence ought to be granted so that the responsibility may be fixed on the man who is dealing in khadi. Otherwise, there is no necessity for levying a licence fee. The amount of licence fee that is sought to be levied is not given in the Bill. It may depend upon the decision of the Department or the executive authority as the case may be. In these circumstances, Sir, I honestly believe that the levying of a licence fee to carry on trade in khadi will be injurious for the propagation of khadi. So, Sir, no fee should be levied. A free licence should be granted. Therefore, as I said, the words "and after making such inquiry as it thinks fit" may be omitted and the sentence, "no fee shall be levied for such licence" be inserted. With these words, I move the two amendments.

Sri. K. M. Korah: I oppose both the amendments.

I oppose the first amendment on the following grounds. In the first place, some sort of restriction is necessary when the licence fee to be levied is not likely to be very high. Secondly, an inquiry is necessary so that unhealthy competition may be avoided and at the same time, we may be able to select the right type of persons to safeguard the industry.

I oppose the second amendment on the ground that the intention is to collect a small amount to be incurred in enforcing the provisions of the Act. I may also draw the attention of the hon. Member to the fact that the draft Bill forwarded by the Government of India also contains this provision.

The amendments were put one by one and lost.

The question that clause 5, as amended, stand part of the Bill was put and carried.

Clause 5 was added to the Bill.

Clause 6

Sri. P. S. Nataraja Pillai: I move

"In clause 6 omit the words 'imprisonment which may extend to six months or, ' in lines 3 and 4;'

and

"In the same clause insert "hundred" for "thousand" in the last line.'

My purpose is that the penalty for the contravention of the provisions of section 3 or committing a breach of any of the conditions of the licence should be only a fine—a sum not exceeding Rs. 100. Generally, for trading in such common articles like cloth, it is only a fine that is levied for an offence therein. There are various provisions of law under which licence is being granted to trade. When a trader infringes any of the conditions, or even infringes any of the conditions for taking a licence, generally we find in law a provision for a fine. Here, such an excessive punishment as imprisonment which may extend to six months or fine which may extend to one thousand rupees is provided, which is according to me unnecessary and unjustifiable in the circumstances of the case. The avowed object of the Bill, as I said, is only to encourage khadi trade and to fix the responsibility of marketing a spurious article under a recognized trade mark. That being the case, any man who infringes the other provisions, that is, regarding the trade mark or infringing the definition of khadi as given in the Trade Marks Act of Parliament, will be subject to the penalty provided therein. We have only to see that we are able to get at those persons who trade in any spurious article under the false name of khadi. That is the only object of this Bill. In that case, licensing should be only at a nominal fee or without fee, and the penalty should also be proportionate

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[Sri. P. S. Nataraja Pillai]

to the offence committed. After all, what is the offence? A man deals in khadi and he must do so with licence. 'Dealer' has been defined as the "person carrying on the business of trading in khadi," etc. I shall put it this way, Sir. For instance, there is a spinning wheel and also a weaving loom in a household. The family, including the children, in that house spin yarn. Occasionally they weave the yarn. They produce two or three 'thovarthus' and 'kacha mundus.' They sell them. Suppose they do not take a licence, and carry on the business like that, they are subject to an imprisonment extending to six months or a fine of one thousand rupees. Is it reasonable? Will it help khadi production? I do not understand how the Treasury Benches conceived this Bill to encourage khadi. I am at this stage, Sir, tempted to make one or two observations on the statement made by the hon. Minister in charge of the Bill. It was said here that there is a draft for this Bill which has been sent to this Government by the Government of India. What I say is, it is high time for this Government to realise its right under the Constitution. There might be a suggestion from the Government of India for a particular course of action. Now it appears that suggestion is being submitted for the approval of this House. Parliament has the right to enact measures for India as a whole, but it has no over-riding authority in all fields. That has to be understood. Parliament cannot issue directions to this House to enact a measure on the lines chalked out by them. This House has unrestricted right of legislation over State subjects enumerated in list II of the Schedule. Under the provisions of the Constitution we have that absolute right. As such, there is no sanctity for the draft that has been sent to this Government by the Centre. This House need not accept it with demur. We can certainly go against the provisions of the draft. But then this House can with justice think it to be an unjustifiable and unreasonable act. We need not accept the draft sent over for consideration of this Government as something sacred which we cannot change or reject. There is the right conferred on this House by the Constitution to legislate on matters coming under our jurisdiction. My reading of the matter is that this is a matter within our sole jurisdiction wherein the hon. Members can think over and exercise their reasonable judgment. Let us see what the question is. Here is a provision for imposing licence for the purpose of trading in khaddar. If a particular man did not take a license he is to be subjected to fine or imprisonment. I seriously ask, is that a matter for union legislation? Is it right to interfere in this matter? Even if there is a suggestion at Government level it ought to have been kept out of discussion in this House.

Now, Sir, the primary question is to fix the responsibility for selling spurious khaddar and to prevent it. Over and above that what else is asked for. What is evident from the Act enacted in Parliament is to fix the responsibility on a person who sells spurious khaddar and to punish him. For that a reasonable penalty of Rs. 100 will be ample. Anything beyond that is quite unjustifiable and hard. I am afraid it will go to the extent of inflicting heavy punishment if Imprisonment is awarded for a person trading in khaddar without licence. With these words I move my amendment.

Sry. Annie Mascarene: Sir, I support my hon. friend Mr. Nataraja Pillai's amendment. Liberty is often misused when we come across 'licence'. Here is legislative authority of a party in power being abused for a case like khadi production. If this legislation had been brought here a year or two or perhaps three years back when there was a mania for khaddar, I could have understood. But, today the texture of khadi is looked upon.—

Mr. Speaker: Order, order. The principle of the Bill has been accepted by this House. The hon. Member can speak on the amendment and not on the Bill as a whole.

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Sry. Annie Mascarene: Sir, I was just going into the amendment. This amendment is necessary in order to minimise the power of legislation. Sir, khaddar is not a worldwide affair. A few cottage industries may be going on. There may not be many production centres. It is not a popular affair either. And, therefore, if a law like this is imposed on the poor man who earns his livelihood on production of this, he will be hit hard. If he unconsciously breaks the law he is penalised. That is why, I said, here is a legislation running riot. Therefore, I appeal to the members of this House that the reasonable amendment proposed by Mr. Nataraja Pillai should be accepted.

Sri. K. M. Korah: Sir, I oppose both the amendments of Mr. Nataraja Pillai. The object of the mover seems to be to reduce the severe nature of the punishment. He wants that punishment by way of imprisonment should be dispensed with and the fine of one thousand rupees also to reduce Rs. 100. Sir, this is an industry which requires a good deal of protection from Government and I think the hon. Member will concede that point. He will also agree with me when I say that it is not on account of profit or economic value that the use of khaddar is advocated. Certainly, those are not the reasons. It is advocated on account of the fact that millions of people live by this industry, and people who stoop to exploit the poor deserve no sympathy. For these reasons, I oppose the amendments.

The amendments were put and lost.

The question that clause 6 stand part of the Bill was put and carried.

Clause 6 was added to the Bill.

Clause 7

The question that clause 7 stand part of the Bill was put and carried.

Clause 7 was added to the Bill.

Clause 8

Sri. P. S. Nataraja Pillai: Sir, I move:

"Omit clause 8".

The clause says: "No court shall take cognizance of any offence punishable under this Act except upon a complaint in writing made by a licensing authority for the area in which the offence is committed."

Even if there is an offence committed automatically it is not taken notice of. Unless the licensing authority brings a complaint no action can be taken about the offence. The point for consideration is who is the licensing authority. Government by notification in the Gazette may appoint one or more persons as licensing authority. That may be for any local area or for the whole State. When we look at the next clause 9, we find a different thing. That is put as a saving clause. It says,—

> "Nothing in this Act shall apply to any dealer who holds a certificate in the form prescribed by rules made under this Act from the Secretary of the All India Spinners' Association or from such other person as may be authorised in writing in this behalf by the said Secretary."

Sri. K. S. Joseph: If the Member could read the financial memorandum attached to this Bill he could find out the licensing authority.

Sri. P. S. Nataraja Pillai: That does not form part of the Bill. As far as I know it is not valid for the application of the provisions of the Bill. Even the statement of object and reasons cannot be of use for that. All those statements do not bind the court. I hope my friend Mr. Joseph who is an eminent advocate will understand that even the hon. Minister's assurances cannot bind courts of law.

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Sri. K. S. Joseph: The intention of Government is clear. I did not say it formed part of law or going to be. The intention of Government is expressed in the memorandum attached to the Bill and the Government's idea is to make the Textile Commissioner the licensing authority so that my friend need not go about hunting for the licensing authority.

Sri. P. S. Nataraja Pillai: He is not the only individual. The wording of the clause is different; it is, the Government may appoint person or persons as licensing authority. So it cannot be the Textile Commissioner alone as the hon. Member thinks. Anyway, that does not in any way affect my argument because under the provision more than one person is contemplated. If the financial memorandum is the last word on the matter, Textile Commissioner alone can be the licensing authority. For different local area different persons are contemplated. It is seen from clause 9, that a certificate issued by the Secretary of the All-India Spinners' Association is a valid licence. I have my own doubts on that as to how far it is a valid authority. How can a certificate be equivalent to licence? My doubt is whether a complaint from that individual alone will be valid or others will have that right. I feel one difficulty. According to the wording of the section, a prosecution can be launched only on a complaint made by the licensing authority. That is vague and a matter for doubt. Such a position makes the matter worse. As far as I see, to my limited knowledge the All-India Spinners' Association is not a statutory body. Apart from that, speaking on the merits of the clause, I take it that the intention of Government is to encourage khadi. I do not question that motive. It is of course a laudable object. But I am afraid whether the road they are treading through will lead to that end. My friend was saying that this is a cottage industry in which many poor people are engaged, and therefore Government should afford protection for it. I understand that. The question of encouragement to khadi and protection therefor is one which I am prepared to advocate. I ask, has this Government or the Central Government done anything for encouraging khaddar. I ask whether the Government of India, who is said to have sent this draft Bill here for being enacted on these lines, have done anything substantial to encourage khadi. I doubt very much. On the other hand serious charges were levelled by Congress members themselves against the Government for not encouraging khadi. The ex-President of the National Congress Acharya Kripalani raised this question in Parliament. It was brought to the notice of Government that adequate recognition is not being given to the khaddar movement. Apart from that, I ask whether clause 8 makes it optional or compulsory for a licensing authority to launch a prosecution. If a trader infringes the provision of licence and carries on trade without it, a prosecution cannot be launched unless the licensing authority is prepared to put in a complaint to that effect. This then is a kind of patronage given to a particular association to put in a complaint which right is denied to the members of the public. Even the police cannot take any action even when an open trade in spurious khaddar is going on. It is only the licensing authority who can launch prosecution. Here it is the All-India Spinners' Association that is marked out for this purpose. I now put the question, is such a provision really useful or will it bring the result wanted by the Treasury Benches. I doubt much on that point. I should say that this provision is ill-conceived. I will even say it is mischievous. Why should there be any provision at all for making a prosecution by the licensing authority alone so far as this matter is concerned? Here the accuser and the man sitting in judgment are to be the same. It is for the Government to see that trade in khadi is not done without licences and it is for the general public to bring to the notice of Government any infringement of that rule. But why should it be made a monopoly ? It is in effect the creation of

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a monopoly, as I pointed out earlier. Licensing authority has the right of making an inquiry and by implication he has the right of refusing a licence. Then again the licensing authority alone has a right of prosecution. That means that in the ultimate reduction it becomes a monopoly right of the licensing authority and to a certain extent, if I may be permitted to draw the inference, that is going to rest not with Government, but with a body which is not statutory and is not under our control. So I say the provision is utterly wrong. We are making a provision that there should be a licence. We also fix a penalty for not taking a licence. Therefore we are giving all these powers to a non-statutory body. On these grounds I oppose the clause and plead that it may be dropped.

Sri. D. Gnanasigamoni: I second Sri. Nataraja Pillai. The real question is which is the licensing authority for the local area? The hon. Sri. K. S. Joseph suggests that it is the Textile Commissioner but a reading of clause 9 would show that it is not only the Textile Commissioner which is contemplated under the Bill but also the Secretary of the All India Spinners' Association and his nominee. Therefore the real question is who is this licensing authority for the area. It is a question of overlapping of jurisdiction. The license issued by the Textile Commissioner and the certificate issued by the Secretary of the All India Spinners Association are for the same purpose namely to trade in khadi. Here for a particular area, there are several licensing authorities, the Textile Commissioner, the Secretary of the All India Spinners, Association and his nominee. And so far as the Secretary of the All India Spinners' Association is concerned, he has a roving jurisdiction. Therefore the licensing authority for the area is not clear because it may include the local Taxtile Commissioner, the Secretary of the All India Spinners' Association or any nominee of his. Because the Secretary, as I said before, has a roving jurisdiction, in practice, no prosecution would be possible. Therefore this provision will only remain a dead letter, because under clause 8, no court shall take cognizance of any offence punishable under this Act except upon a complaint in writing made by the licensing authority for the area in which the offence is committed. The Secretary will think that it is the Textile Commissioner who is competent to do this, while the Textile Commission will think that it is the Secretary who is competent to act. And thus no prosecution as contemplated by this Bill can ever be launched and I would like to bring the attention of the hon. Minister in charge of the Bill to this aspect.

Sri. K. M. Korah: Is there any clause which forces the conclusion that the Secretary of the All India Spinners' Association is the licensing authority ?

Sri. D. Gnanasigamoni : Clause 9 reads: "Nothing in this Act shall apply to any dealer who holds a certificate in the form prescribed by rules made under this Act from the Secretary of the All India Spinners' Association or from such other person as may be authorised in wrinting in this behalf by the said Secretary".

Sri. K. M. Korah: Does it mean that he is the licensing authority? Certainly not.

Sri. D. Gnanasigamoni: He is the authority. That is the meaning of clause 9. That is my argument.

Sri. K. M. Korah: I oppose the amendment. Let us consider what will be the effect if this amendment is accepted. Nobody could file a complaint and what would be the effect if such a contingency arises? The result would naturally be a lot of unnecessary malicious prosecutions. We want to avoid it. That is the very reason why this was included. On the other hand, if there is any aggrieved party, he can very well approach the licensing authority and draw his attention to his grievance and he will take the necessary action. What more is needed ?

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Sri. D. Gnanasigamoni: May I ask a question. Can a person who has got a certificate from the Spinners' Association Secretary trade in Khadi ?

Sri. K. M. Korah: Yes.

Sri. D. Gnanasigamoni: May I know then whether it is not equivalent to a licence ?

Sri. K. M. Korah: No, it is not.

Sri. K. S. Joseph: I oppose the amendment. I just want to point to a fact which obviously has been lost sight of by my friends. Section 9 clearly lays down that the Secretary, All India Spinners' Association has the right only to give a certificate and this certificate-holder can carry on trade in Khaddar without a licence. In the case of others licence is required. Section 9 clearly says: "Nothing in this Act shall apply to any dealer who holds a certificate in the form prescribed by rules made under this Act from the Secretary of the All India Spinners' Association or from such other person as may be authorised in writing in this behalf by the said Secretary". So that the holder of a certificate from the Secretary does not require a licence from the licensing authority. In other words, this Act binds only those dealers who are not dealing with goods of the All-India Spinners' Association. Therefore the Secretary cannot be mistaken for the licensing authority. It is this confusion which I think led to the suggestions of my hon. friends.

The All India Spinners' Association is an authorised body dealing in Khadi. Therefore a certificate from the Secretary would guarantee that the goods of the certificate-holder is pure Khadi. That is all.

So far as prosecution is concerned, it is only the licensing authority who can start the proceedings. Otherwise anybody can maliciously prosecute any dealer in Khadi for the simple reason that he is allowed to prosecute. Therefore I oppose the suggestions of my hon. friends, that clause 8 may be deleted.

The amendment was put and lost.

The question that claure 8 stand part of the Bill, was put and carried.

The clause was added to the Bill.

Clause 9

Sri. P. S. Nataraja Pillai: I move to omit clause 9.

Clause 9 reads:

"Nothing in this Act shall apply to any dealer who holds a certificate in the form prescribed by rules made under this Act from the Secretary of the All-India Spinners' Association or from such other person as may be authorised in writing in this behalf by the said Secretary".

Sir, the All India Spinners' Association, to the best of my knowledge, is not a statutory body, nor is it a body incorporated under any law. Therefore it is neither a limited company coming under the Company Law nor an organisation registered under any other law. I am subject to correction. It is a voluntary private association as far as I know. But I know it was sponsored by one of the greatest men the present age has produced. There is the halo of his great name surrounding it. We know that it came into existence to alleviate the abject poverty of the people. He thought that it would alleviate the suffering of the teeming millions of India and he brought forth the institution to foster Khadi.

I do not know whether my friends here know the working of that institution at present. But I claim a certain amount of knowledge in the way in which that

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organisation is being worked now. In Trivandrum, at a time when Khadi was at a discount, and when Khadi wearers were subjected to the Police lathe, when Khadi was a sign for repression and ridicule certain leaders in this town did propaganda work for it. But later on when the movement gathered momentum and when it became a matter of profit and credit, the All India Spinners' Association ousted the man who suffered for the cause and put their own nominee instead. That is a matter which is known to many people in this City.

But that apart, I know Khadi production is working very successfully in two parts of the Madras Province. I have gone to the villages in the Tinnevely District where Khadi is produced in large quantities. There are two bodies engaged in this work, one sponsored by the All India Spinners' Association and the other by the Congressmen of the area. At present certain interested people have taken hold of the organisation as a means of obtaining power. Thus there are at present two organisations producing Khaddar. In one village in the Coimbatore District Khadi is produced to the value of about Rs. 20,000 a week. There is the All-India Spinners' Association and Khadi Association. The All-India Spinners' Association is not a body controlled by law. It is a party organisation. When it was controlled by the greatest man of the age it had a good reputation. Now it has fallen on evil days. We don't pay homage to that as a national organisation. Different groups, interests and cliques control that organisation with ulterior objects. It is on account of this primary fact this recognition should not be given to the All-India Spinner's Association by law. Apart from that, there are a lot of difficulties. It was argued by my hon. friend Mr. K. S. Joseph that the certificate issued by the All-India Spinners' Association is not a licence. But we find in effect that a certificate, in this case, is equivalent to a licence.

Sri. P. Nanoo : Sir, I rise to a point of order. Clause 3 says that save as provided in Section 9, no dealer shall sell Khaddar or Khadi, etc. And we have adopted clause 3. In view of this is it in order to discuss any amendment on clause 9?

Mr. Speaker : The principles concerning clause 9 are not in discussion now. The amendment is for the deletion of the whole clause. Hence, the hon. Member is in order.

Sri. P. S Nataraja Pillai : Sir, I do not think that I am bound up by that objection. The provision is clear and says that a dealer who secures a certificate from the All-India Spinners' Association is exempted from the provisions of this Bill. This proves that the certificate so secured is equivalent or more than equivalent to a licence. Why should thus a monopoly be created in favour of the All-India Spinners' Association, itself a producer of Khadi? Now, this provision has made the Secretary of the Association or his nominee and the Government as equal authorities to issue a licence.

Sir, it would be unwise to control the Khadar trade. If at all you want to control it, it would be better to have a unitary control. If you want to encourage the industry allow free competition. We should not in any way help to create a monopoly. It is a well known principle of economics that in a trade or industry, monopoly will be dangerous in the long run. On the other hand we may give protection if the industry under particular circumstances and conditions cannot stand competition. If we have to encourage Khadi and if Khadi is to flourish in the country these restrictions must not be imposed and as such I believe that the clause will not help to bring about the result we want. With these words, I move for the deletion of clause 9.

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Sri. K. M. Korah: Sir, I oppose this amendment. True, a special privilege is given to the All-India Spinners' Association. In giving that privilege two factors were taken into consideration: the creditable antecedents of this Association and the brilliant future that lies before it.

Sri. P. S. Nataraja Pillai: What is the present condition?

Sri. K. M. Korah: My friend was referring to the lamentable state of affairs of this industry owing to the simple fact that sufficient encouragement was not given to the Association. But by this enactment we are giving the Association that encouragement for which my hon. friend was pleading sometime back. There are also other reasons for giving this sort of preference to this particular Association. We know that this Association has very successfully stood the test of time. There is no difference of opinion on that score. The scheme of the Act is to give a sort of protection to Khaddar. For that we support this important Association. I may also draw the attention of my hon. friend to the fact that this Bill closely follows the draft Bill forwarded by the Government of India.

The amendment was put and lost.

The question that clause 9 stand part of the Bill was put and carried.

The clause was added to the Bill.

Clause 10

Sri. P. S. Nataraja Pillai: Sir, I move:

In clause 10, omit parts (c) and (d) in sub-clause (2).

That is about the licensing fee and licenses. This has already been discussed by amendment to clause 7.

Sri. K. M. Korah: I oppose the deletion of both sub-clauses.

The amendment was put and lost.

The question that clause 10 stand part of the Bill was put and carried.

The clause was added to the Bill.

Clause 1 and Preamble

The question that clause 1 and the Preamble stand part of the Bill was put and carried.

Clause 1 and the Preamble were added to the Bill.

Title

The question that the Title stand part of the Bill was put and carried.

The title was added to the Bill.

Sri. K. M. Korah: Sir, I move that the Bill be passed.

Sri. L. M Pylee: I second it.

3 p.m.]

Sri. P. S. Nataraja Pillai: Sir, I oppose the motion. The amendments which I tried to make were not accepted by this House. But in the meantime I believe that it is my duty to say what I feel on the subject. This Bill, as its provisions stand, which has been adopted by this House, will not be of any use to encourage or help Khadi industry in the country. On the other hand it will only be creating a kind of monopoly in the trade in favour of a party organisation, which will injure the future prospects of Khadi in this country. Khadi, after all, is not so much in use in this country and, when you make so many restrictions, ultimately it will become a monopoly trade of the All-India Spinners' Association or their nominees. The production will be discouraged and will fall the distribution will be controlled as a result of these restrictions. The net outcome of this will be that the branches of the All-India Spinners' Association will make a profit for sometime and

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the commodity will be marketed by them at whatever rate they choose. I think, I should avoid as far as possible using strong words in this matter, but I am forced to tell the House from my knowledge that this organization will misuse the privileges that are being granted to it. Even now whenever stocks come it goes into the black-market; hereafter it will do so with facility. Thus you are encouraging blackmarket by a statute. You are giving the authority for blackmarketing to this Association. I think, in the interests of the people and in the interests of this industry that should not be done.

The hon. Minister in charge of the Bill today referred twice to the draft Bill sent by the Government of India. Are we bound to adopt the provisions of that draft Bill? Are we to be controlled by that kind of imperialistic directions from the Government of India Secretariat? Are we living in those autocratic days when the Political Advisers and the Political Department were the practical rulers of these Indian States?

Sri. K. M. Korah: I never said that we are following the directions from the Government of India. All that I said was that we have accepted the suggestions sent by the Government of India on reasonable grounds.

Sri. P. S. Nataraja Pillai: Sir, the hon. Minister referred twice to a draft Bill sent by the Government of India as justification for the provisions of the Bill we are discussing, thereby implying that this House has to adopt those provisions.

Sri. K. M. Korah: The object was to draw the attention of the House that this industry is to be developed on an All-India policy.

Sri. P. S. Nataraja Pillai: If it was an All-India policy as in the matter of essential commodities like food, Parliament could legislate on this.

Sri. K. M. Korah: So far as that matter is concerned, Parliament has not got the power to legislate for us on a subject of this nature.

Sri. P. S. Nataraja Pillai: What I want to state is that so long as this matter does not come under Article 371 I doubt the validity of these directions from Delhi. We have got the legislative competence on this matter and unless Government independently exercise their judgement and come to the conclusion that this Bill is necessary in the interests of the country they should not bring it to this House. The wishes or opinions of the Government of India should not weigh with this Government. In this context, what I would say is that this Government should exercise their independent judgment and come to the conclusion that a measure like this is necessary in the interests of the country and in the special circumstances obtaining in the State today. It is not an All-India matter as envisaged by my hon. Friend. This is a matter which affects this State. With these words, I oppose the passing of this Bill in its present form.

The question that the Bill be passed was put and carried.

Sri. P. S. Nataraja Pillai: Sir, I demand a poll.

A poll was taken when the House divided as follows:

Ayes—20

1. Sri. K. M. Korah
2. „ L. M. Pylee
3. „ T. T. Kesavan Sastri
4. „ P. S. George
5. „ K. A. Mathew
6. „ Ambat Eachara Menon
7. „ P. Gopalan

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8. Sri. A. P. Sivaramakrishnan
9. ,, Joseph Mathen
10. ,, Alexander Parambithara
11. ,, Joseph Thumbasseri
12. ,, V. Madhavan
13. Sahib Bahadur P. K. Makkaru Pillai
14. Sri. T. V. Devan
15. Sahib Bahadur Cheladi Rowther
16. Sri. P. K. Raman
17. ,, P. Nanoo
18. ,, Poulose Pylee
19. ,, Paul Thaliath
20. ,, P. K. Paul

Noes—4

1. Sri. P. S. Nataraja Pillai
2. ,, M. Palpu
3. Sry. Annie Mascarene
4. Sahib Bahadur T. A. Moideen Kunju

Neutrals—3

1. Sri. K. Sivarama Pillai
2. ,, S. Ambrose
3. ,, D. Gnanasigamoni

The Bill was passed.

The Travancore-Cochin Prevention of Adulteration Bill

Minister for Finance and Food **(Sri. K. M. Korah):** It is reported that a similar Bill is contemplated in the Centre and as such I am not introducing the Bill at this stage.

The Assembly adjourned at 3-8 p.m. to meet again at 11 a.m. on Friday, the 28th September 1951

V. KRISHNAMOORTHI,
Secretary, Legislative Assembly.

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